

# CONTRACT

THIS AGREEMENT is entered into as of the 2nd day of January, 2007 by and between Indiana Assessment Service, (Contractor) with its principal address located at 1611 Main St. Rochester, Indiana 46975-2621, and Pulaski County, (Client) with its principal address located at Courthouse, Winamac, IN 46996.

In consideration of Client retaining Contractor to provide real property assessment consulting service for Client, it is agreed as follows:

- (1) **TERMS OF AGREEMENT:** - Contractor real property assessment consulting service will provide real property assessment assistance to the Client. The Client agrees that Contractor provides consultation on request. Both parties further agree that Contractor will provide real property assessment consultation not to exceed 45 (forty five) hours of consultation service time as well as completing the 2007 pay 2008 Annual Assessment Ratio Study (see attached Addendum). The contract period is January 1, 2007 to December 31, 2007.

The following fee shall apply:

The fee is \$ 35,724.00 (Thirty Five Thousand Seven Hundred Twenty Four dollars)\*.

*\*NOTE: This is an annual fee, which is billed in 6 (six) monthly payments consisting of the first 6 (six) monthly payments of \$4,854 (Four Thousand Eight Hundred Fifty Four dollars) and the last 6 (six) monthly payments consisting of \$1,100 (One Thousand One Hundred dollars). On the first day of each month, Contractor will submit a monthly billing invoice to the Client. The amount stipulated on the monthly billing invoice will be due within 45 (forty-five) days from the date of the billing invoice. If services are completed prior to the end of the stipulated contract period, Contractor will submit final billing invoice to include the entire sum of the remaining fees due the Contractor.*

- (2) **DESCRIPTION OF SERVICE:** - The Client hereby retains Contractor, under the provisions of the contractual agreement, to perform the following real property assessment consulting services:

**2a) TELEPHONE CONSULTING SERVICE:** - Contractor provides the local assessing official with real property assessment consulting by answering technical and procedural real property assessment questions. Contractor technical support uses the Indiana Code (Title 6 - Taxation), the 2002 Real Property Assessment Guidelines, the Department of Local Government and Finance Instructional bulletins and directives, the county land valuation order, and Indiana Tax Court decisions.

**2b) ON SITE CONSULTING SERVICE PROVIDED TO COUNTY AND TOWNSHIP ASSESSING OFFICIALS:** - Contractor provides on site real property assessment consultation to assist the local assessing official in working out difficult real property assessment problems that can not be resolved over the telephone.

Contractor provides on site real property assessment consultation to assist the local assessing official with reviewing difficult assessment issues under appeal. Real property assessment appeals are filed on Form 133, Form 130, or Form 131. Contractor will assist the assessor in analyzing issues under appeal. Contractor's goal is to assist in correcting the assessment locally. If the petitioner is not satisfied with the local assessment and appeals that assessment to either the Property Tax Assessment Board of Appeals (PTABOA) or the Department of Local Government and Finance (DLGF), Contractor will assist the local assessing official, creating the county evidence file for the hearing(s). When necessary, Contractor will provide expert testimony and cross-examine petitioner at each hearing. When necessary, Contractor will assist the local assessing official and provide expert testimony at trial in the Indiana Tax Court.

*NOTE: All on site real property assessment consultation must be scheduled in advance. The local assessing official must contact Contractor to schedule appointment times and dates.*

**2c) ON SITE CONSULTING SERVICE PROVIDED TO ASSESSING OFFICIALS SERVING ON THE PROPERTY TAX ASSESSMENT BOARD OF APPEALS:** - Contractor will provide real property assessment consultation to the assessing officials serving as members of the PTABOA, assisting them in their review of difficult assessment issues under appeal. Contractor will assist the PTABOA members with developing requests for needed support evidence, assist in developing a record of the hearing, and assist in writing the PTABOA finding and final

assessment determination. Upon request, Contractor will act as special hearing officer for PTABOA on complicated issues.

- (3) **FAILURE TO USE SERVICE:** - If the Client does not use all of their annual service time, Contractor is not required to refund monies or adjust the annual fee.
- (4) **DIRECTION OF THIS AGREEMENT:** - The entire contractual agreement shall be under the direction of the County Assessor, or their designee, as contract representative, and as such shall have the right of final approval of all personnel, procedures, and related forms.
- (5) **EXTENDING ASSESSMENT CONSULTING SERVICE:** - If all of the Client's service time has been used prior to the end of the stipulated contract period, the Client may extend service at an additional cost. The basis of the additional cost of extended service is to be calculated from the service fees established under the provisions of this contract.
- (6) **ENTRY AND WORKSPACE:** - The Client agrees to supply temporary workspace area (free of charge) to Contractor agents. The temporary workspace area shall be located within the local assessing official's office. Temporary workspace area is provided to Contractor on a short-term basis, to the extent needed, to fulfill any obligations for the Client.
- (7) **TERMS AND CONDITIONS:** - services of its personnel while working under this contractual agreement, and expressly reserves the right to control the manner, means and details to ensure performance of services, as well as the ends to be accomplished. It is also understood that Client shall not solicit any Contractor agent(s) for employment. If Client fails to comply with this contractual provision, and hires the Contractor agent as Client's employee, the Client agrees to pay Contractor the entire gross annual amount of that Contractor employee's total annual gross salary\* as compensation to Contractor for employee loss.  
  
*\*NOTE: Total annual gross salary will be determined using Contractor's current record of gross annual salary for that Contractor employee.*
- (8) **CONFIDENTIAL INFORMATION:** - The parties have determined that certain needed information from the Client to the Contractor is confidential in nature. The Client upon marking the needed information as "Confidential" limits the use of that information by the Contractor. Contractor may use "Confidential" information of Client only for the purpose of this contractual agreement, and shall protect such "Confidential" information from disclosure to others, using the same degree of care used to protect its own proprietary information of like importance, but in any case using no less than a reasonable degree of care. Contractor may disclose "Confidential" information received hereunder only for the purpose of providing evidence to defend an assessment to county or state assessing authorities. Contractor may disclose "Confidential" information received hereunder to Contractor's attorney. No other disclosure of "Confidential" information is permitted. Client assumes all risks, known or unknown, incident to Contractor use of "Confidential" information, and Contractor shall have no liability of any kind to Client or any third party arising out of such use.
- (9) **DEFAULT:** - If Client shall fail to pay payment when due, or perform any term hereof, after not less than seven (7) days written notice of such default given in the manner required by law, the Contractor, at his option, may terminate all services described within this contract, unless Client, within said time, shall cure such default. In the event of default of payment by Client, Contractor may elect to (a) continue the contract in effect and enforce all his rights and remedies hereunder, including the right to recover the payment(s) as they become due, or (b) at any time terminate all of the Client's rights hereunder and recover from the Client all damages he may incur by reason of the breach of the contract, including the cost of all future unpaid contractual payments, the cost of recovering all future unpaid contractual payments, the Contractor's loss of income to cover the amount of time spent to enforce this provision, and the Contractor's reasonable incurred attorney fees.
- (10) **WAIVER:** - Failure of Contractor to enforce any term hereof shall not be deemed a waiver, nor shall any acceptance of a partial payment be deemed a waiver of the Contractor's right to the full amount thereof.

- (11) **SEVERABILITY:** - If any provision or clause of this contract or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or application of the contract which can be given effect without the invalid provision of application, and to this end the provisions of this contract are declared to be severable.
- (12) **ATTORNEY FEES:** - In any legal action brought by the Contractor to enforce the terms hereof, the Contractor shall be entitled to all costs incurred in connection with such action, including a reasonable attorney's fee.
- (13) **TERMINATION OF THIS ENTIRE AGREEMENT:** - Termination of this entire agreement may be made by either party, with 30 days written notice. Written notice must be given by certified mail. The remaining annual fee, which is due the Contractor from the Client, is to be paid in full on the date of contract termination, unless termination is for cause, in which case the remainder of the annual fee shall not be due.
- (14) **NOTICES:** - Any notice which either party may give, or is required to give, may be given by mailing the same, postage prepaid, to the Client at the address shown below or to the Contractor at the address shown below, or at such other places as may be designated by the parties from time to time.
- (15) **INDEPENDENT CONTRACTOR AGREEMENT:** - It is understood that the Contractor executes this agreement as an independent contractor and is not an employee of the Client.
- (16) **ENTIRE AGREEMENT:** - The foregoing constitutes the entire agreement between the parties and may be modified only by a writing signed by both parties. The following attachment(s) and rider(s), if any, have been made a part of this agreement before the parties' execution hereof:

Dated this the 4 day of December 2006.

Board of Commissioners of the County of Pulaski

Print Client Name

Courthouse

Client Principal Address

Winamac, IN 46996

City/State/ZIP Code

574-946-3845

Client Telephone Number

Michael T. Tiesh

County Commissioner Signature

Terry L. Young

County Commissioner Signature

Richard L. Sommers

County Commissioner Signature

Edward J. Bisch Jr. for Indiana Assessment Service

Print Contractor Name

E. J. Bisch Jr.

Contractor Signature

President

Contractor Title

1611 Main St.

Contractor Principal Address

Rochester, IN 46975-2621

City/State/ZIP Code

574-223-4777

Contractor Telephone

Attest:

Thomas P. Shank Auditor

factors. Changes, if determined, will be made by Indiana Assessment Service in report form indicating the effected neighborhood geographic area, the stratification of the neighborhood into property type sets, the newly determined trending factor for the neighborhood or newly determined trending factor for the neighborhood property type sets and any other change deemed appropriate. Indiana Assessment Service will review the statistics of the analysis to insure the coefficient of dispersion (COD), the price related differential (PRD) and the sales median ratio meet the requirements of the trending rule. Support documentation will also be provided showing cause for such change.

#### **Verification and validation of sales:**

The verification and validation of sales from January 1, 2005 through December 31, 2006 will be a joint effort between Indiana Assessment Service and the County Assessor. Indiana Assessment Service will perform a desk audit by neighborhood of sales from January 1, 2005 through December 31, 2006 to determine whether or not a sale is typical of the neighborhood. When sales do not appear typical of the neighborhood, Indiana Assessment Service may determine a drive-by inspection of the sale is warranted.

Valid sales will be used to determine if changes to land value base rates or changes to neighborhood boundaries or establishment of trending factors are needed.

#### **Rental Properties:**

Indiana Assessment Service will conduct a complete review by township of all real property that has at least one (1) and not more than four (4) rental units to develop the Gross Rent Multiplier by economic pocket areas. The Gross Rent Multiplier will be determined by reviewing the sales from calendar years 2005 and 2006 or from local MLS books to obtain the sale price and monthly rental income of specific properties.

Indiana Assessment Service will conduct a complete review by township of all real property regularly used to rent or furnish residential accommodations that has four (4) or more rental units. This analysis will include: sending letters to the property owners requesting the three most recent year's income and expense statements; preparing an income approach to value from the income/expense statements and reviewing each of the subject's property record cards to determine the cost approach to value.

#### **Support documentation:**

Upon completion of contractual service, Indiana Assessment Service will turn the following applicable information over to the County Assessor:

- All sales disclosure forms and matching assessment record cards used.
- Maps developed for March 1, 2002 reassessment used by Contractor from Client showing updated sale prices and sale dates.
- Maps developed for March 1, 2002 reassessment showing revised land value base rates.
- Maps developed for March 1, 2002 reassessment showing revised neighborhood boundaries.
- Written findings and sales disclosure forms used as support for land value base rates with March 1, 2007 changes.
- Written findings used as support for neighborhoods boundaries and property sub-sets with March 1, 2007 changes.
- Determined trending factors and support documentation for neighborhoods or property type groups requiring application of a trending factor for the March 1, 2007 assessment date.
- Any other information or property of the Clients used by the Contractor to perform service under this contractual agreement.

**Ratio Study:**

Indiana Assessment Service will provide to the DLGF the 2007 Ratio Study (Equalization) for all taxing units and all required classes of property and will follow the guidelines for Equalization as determined by the Department of Local Government Finance (DLGF).

**COUNTY SUPPORT SERVICE :**

The County agrees to provide the following support services to the Contractor:

County will supply one complete set of plat maps for all parcels of real estate located in the county, used during the March 1, 2002 reassessment period, showing neighborhood delineations and sale prices and sale dates and land value base rates. The County must update the maps by posting sale prices and sale dates using sales from January 1, 2005 through December 31, 2006.

(Maps should show lot dimensions and acreage size/dimensions for each parcel).

County must provide access and copy to Indiana Assessment Service of any other information/documentation used in developing land value base rates and neighborhood delineations, and neighborhood factors, for the 2002 reassessment.

County may enter sales disclosure information from January 1, 2005 through December 31, 2006 into either the county property assessment software system or the Contractors Land Sales Database software and provide that data in usable format(s) to Contractor.

County must provide one copy of the sales disclosure form and one copy of the matching property record card for the date of sale. The matching property record card must include the assessed valuations of land and improvements for that sale date. County must provide a photograph of the main improvement if available.

County must provide any information deemed necessary by Indiana Assessment Service from the county property assessment software system.

County must provide any other records and any other information as deemed necessary by Indiana Assessment Service.

**DIRECTION OF THIS AGREEMENT:**

The entire contractual agreement shall be under the direction of the County Assessor, or their designee, as contract representative, and as such shall have the right of final approval of all personnel, procedures, and related forms.

**ENTRY AND WORKSPACE:**

The County agrees to supply temporary workspace area (free of charge) to Indiana Assessment Service. The temporary workspace area shall be located within the local assessing official's office. Temporary workspace area is provided to Indiana Assessment Service on a short-term basis, to the extent needed, to fulfill any obligations for the Client.

**Contract term:**

The term of this contractual agreement shall be January 1, 2007, to June 30, 2007.